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THE OUTLOOK FOR THE SUDAN

Submitted by the

DIRECTOR OF CENTRAL INTELLIGENCE

The following intelligence organizations participated in the preparation of this estimate: The Central Intelligence Agency and the intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and The Joint Staff.

Concurred in by the

INTELLIGENCE ADVISORY COMMITTEE

on 6 August 1957. Concurring were the Special Assistant, Intelligence, Department of State; the Assistant Chief of Staff, Intelligence, Department of the Army; the Director of Naval Intelligence; the Assistant Chief of Staff, Intelligence, USAF; and the Deputy Director for Intelligence, The Joint Staff. The Atomic Energy Commission Representative to the IAC and the Assistant Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction.

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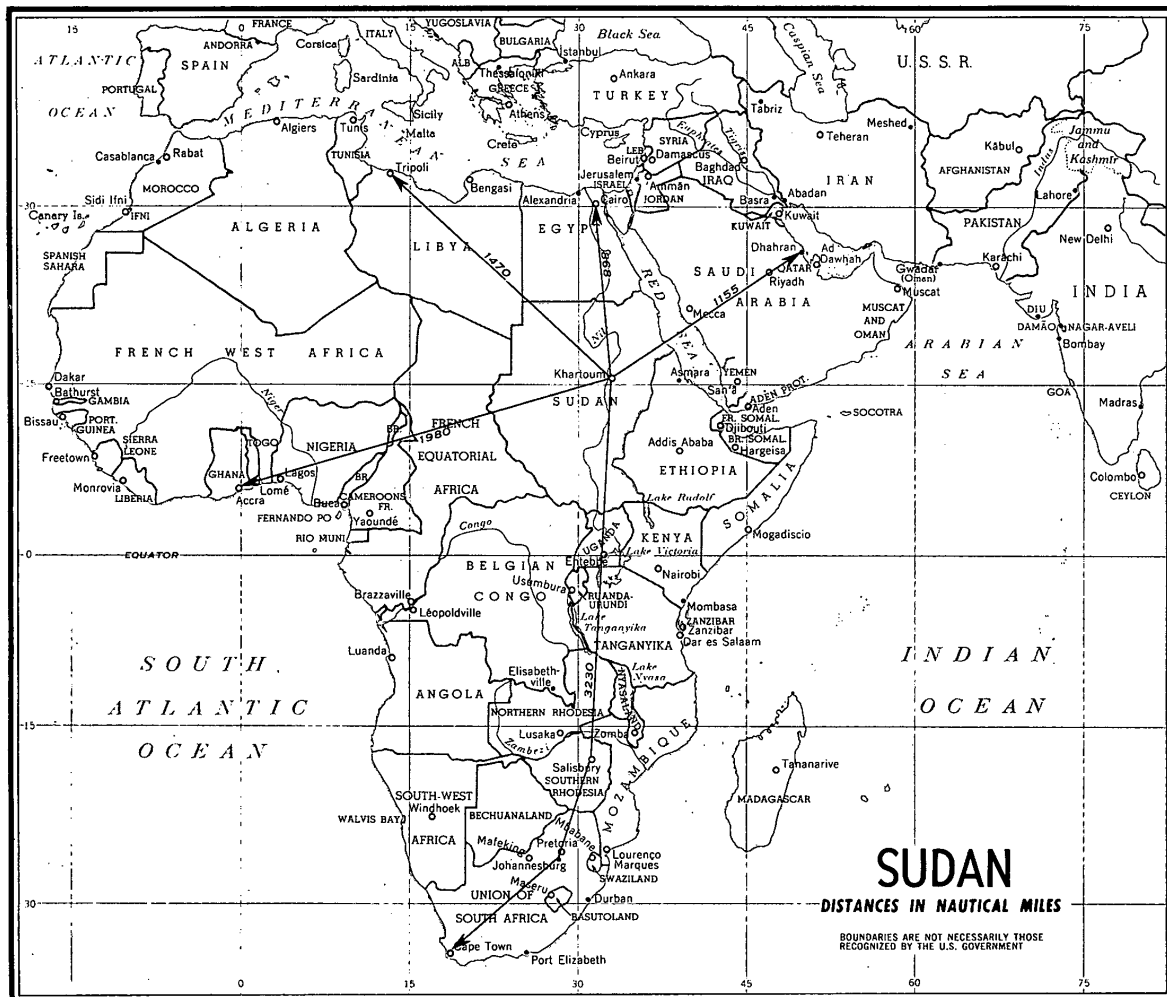
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THE OUTLOOK FOR THE SUDAN¹

THE PROBLEM

To assess the Sudan's prospects for political stability and economic progress and its probable role in regional and international affairs over the next few years.

SUMMARY AND CONCLUSIONS

Present Situation

1. The Sudan, which became independent on 1 January 1956, inherited an established civil administration, a nonpolitical army capable of maintaining internal security, and a solvent economy. It made the transition to independence with relatively little bitterness toward colonial powers. However, it still has to resolve the basic problems of forging national unity and creating political institutions. Furthermore, it has many of the difficulties of a new and underdeveloped state, e.g., a low literacy rate, a subsistence standard of living, and has a one crop economy (cotton, mostly long staple). (*Paras. 10-12, 18-19*)

2. The problem of internal unity grows out of the division of the population into two sharply different and somewhat antagonistic groups. About seven million Arabic-speaking Moslems live in the northern provinces where most of the cotton is grown. Some three million primitive blacks, who fear domination by the North, are in the equatorial southern provinces. (*Paras. 6-7*)

3. The Sudan's principal foreign policy concern is the protection of its independence against foreign domination. This has given its policy a neutralist character. The Sudan particularly fears Egypt; both countries depend on using the waters of the Nile. (*Paras. 31-33*)

4. The present Sudanese government is a coalition of three parties. Two of these represent the conservative interests of two rival Moslem brotherhoods. The third party represents the South. In opposition is the fourth party which is neither sectional nor based on religious groups, and has at least temporary support from Egypt and from the relatively small but active Communist element. (*Paras. 11-12, 16-17*)

5. *Future Problems and Developments:*

a. Southern pressures for considerable political autonomy will continue to threaten political stability, particularly if northern politics should become unstable for a long period. (*Paras. 22, 25*)

b. The government coalition is likely to hold together through the February 1958 elections and remain in power. Even if the coalition splits and the opposition wins, no major shift in policy is like-

¹Supersedes relevant portions of NIE 36-54 ("Probable Developments in the Arab States"), dated 7 September 1954.

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ly. Over the longer run, unless the brotherhood parties can free themselves from their present narrow interests, the political center of gravity will probably shift to secular parties. (*Paras. 20-21, 23-24*)

c. A serious decline in world cotton prices would badly hurt the Sudan. In view of its dependence on exporting cotton, the Sudan will try to maintain good relations with its traditional trading partners in Western Europe and India, and will probably try to develop its markets in the Sino-Soviet Bloc. (*Paras. 30, 35*)

d. It will try to maintain cordial relations with the non-Communist world within a firm policy of nonalignment and

neutrality. Direct relations between the US and the Sudan are friendly but not extensive. The Sudan will probably follow up the informal approach already made for US aid in financing development. (*Para. 36*)

e. Egypt will continue to try to dominate the Sudan and the Bloc will lend support to Egypt's efforts. In resisting Egypt, the Sudan will continue to cement relations with Ethiopia. (*Paras. 32-33*)

f. The USSR will probably be able to exercise some influence through the numerous Bloc missions in Khartoum, cotton purchases which have just begun, and collaboration with Egyptians and local Communists. (*Para. 37*)

DISCUSSION

6. The Sudan embraces over one million square miles in the Nile watershed with a population of about 10 million. The northern two-thirds of the country is inhabited by some seven million people, mainly Arabic-speaking Moslems of mixed Hamitic and Arab descent. This area consists of desert and semidesert, with narrow irrigated strips along the Nile and its tributaries. The small urban population and the bulk of the approximately half a million literates are found in the North.

7. The southern third of the country, below the 10th parallel, has almost nothing in common with the North. It is made up of savannah, bush, and jungle and geographically is part of equatorial Africa. In it live some three million primitive blacks, of whom about 100,000 are Christian and the balance pagan, divided into many different tribes and clans. They speak more than 30 mutually unintelligible languages which for the most part do not exist in written form. They subsist by food-gathering, cattle-raising, and very primitive agriculture.

8. The strategic significance of the Sudan arises from its location on important east-

west and north-south air routes of Africa.² The well-developed airfield at Khartoum is important to air movements between west and east, especially if the southern Mediterranean route is cut off, as it was during the Suez crisis. The Sudan also serves as a link between the Middle East and Black Africa. Its importance in both respects will grow as Africa develops economically and politically.

INTERNAL POLITICAL SITUATION AND PROSPECTS

9. From 1899 through 1955, the Sudan was an Anglo-Egyptian condominium. From 1924 onward, the condominium was run almost entirely by the British, although the appearance of joint rule was maintained. In February 1953, the British and Egyptians agreed to provide for self-government and self-determination. A Sudanese Parliament was elected to liquidate the condominium administration and decide on either union with Egypt or complete independence. It took office in January 1954, and chose independ-

² See map attached.

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ence, which came into effect 1 January 1956. Under a transitional constitution, a five-man Supreme Commission has replaced the British Governor General. The prime minister was elected by the House of Representatives from its membership. The existing Parliament expired on 30 June 1957, and elections for a new Parliament to adopt a permanent constitution have been scheduled for February 1958. Meanwhile, the prime minister and the cabinet are ruling without Parliament.

The Problems of the New State

10. The Sudan's main problem in effecting the transition from dependent colonial status to independent statehood is to create a sense of national unity. The first stage of development of the institutions and attitudes essential to self-government is now under way, although only a very small percentage of the population is politically conscious in a Western sense. Emancipation from British control was prompt and almost without rancor. The new state inherited an established civil administration, a competent army, and a solvent economy. As a result, there have been favorable circumstances in which to develop and try out the new parliamentary institutions.

11. Historically and culturally, however, the Sudan remains ill-equipped to function as a modern nation state. Independence was achieved suddenly as the British came out in favor of prompt independence, largely in order to cut short Egypt's bid for incorporation of the area. Representative government and parliamentary institutions have no indigenous traditions or roots in the country, and the political parties are still in an early stage of development. The real balance of power is determined by the interplay of political groupings based on religious brotherhoods and tribal and regional affiliations. The two most cohesive political groups are based on the two largest Moslem religious brotherhoods: the Umma Party based on the Ansar and the Peoples Democratic Party based on the Khatmia. Each brotherhood is estimated to have about 1.5 million adherents, almost entirely in the North. Their leaders, Sir Sayyid Abd al Rah-

man al Mahdi of the Ansar and Sir Sayyid Ali al-Mirghani of the Khatmia, have traditionally been rivals for power.³

12. The interests of the three primitive southern provinces are represented primarily by the Southern Liberal Party. Both the party and the provinces are almost entirely lacking in responsible leadership. The political leaders of the South are united only in their common desire to obtain a greater autonomy for the South. The South's longstanding hostility toward the North exploded into violence in August 1955, when the Southern component of the Sudan Defense Force mutinied against the imposition of northern officers and officials to replace the outgoing British. The revolt was put down firmly and the southern units disbanded. Since that time Southern discontent has been somewhat alleviated by a parliamentary resolution which promised that, when framing a permanent constitution, full consideration would be given to the matter of autonomy for the South. Prime Minister Khalil has also replaced some of the incompetent administrators in the southern provinces. Some resentment has arisen from the government's takeover of the Christian mission schools in the South and its establishment of Arabic instead of English as the language of instruction. However, a common language will probably eventually serve to promote a greater degree of unity between the two sections of the country.

13. The fourth party, the National Unionist Party (NUP) is the party of former Prime Minister Azhari. It does not have roots in a religious brotherhood. It is the largest party in the Sudan, is supported by widely diverse elements, and has representatives in Parliament from all nine provinces. The NUP government, while in power from January 1954 to July 1956, was somewhat corrupt but gen-

³ The leaders of the Ansar and Khatmia brotherhoods are believed by their followers to have special spiritual attributes from which they derive influence over all aspects of the lives of the brotherhood members, including their political, social, and economic activities. The leaders are champions of traditionalism and conservatism in the Sudan.

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erally behaved fairly responsibly. The NUP espouses a nationalist-neutralist policy similar to that of the Nasser regime in Egypt and has received considerable support from Cairo. It has recently entered into an opportunistic political alliance with the Communists.

14. In spite of this background, the political history of the Sudan since 1953 has been generally encouraging. The only change in government took place in July 1956 when Azhari, whose NUP had won control of the government in the preindependence elections, was replaced as prime minister by Abdullah Khalil, leader of the Umma Party. The change occurred when the Khatmia leaders, who had up to that time supported Azhari, grew apprehensive of Azhari's growing personal power and founded their own political party, the Peoples Democratic Party (PDP). The Khatmia and the Ansar submerged their traditional rivalry, at least temporarily, and the PDP joined forces with the Umma to combat Azhari. The Southern Liberal Party joined the Umma and the PDP to form a parliamentary majority. The NUP accepted the new coalition peacefully and went into opposition.⁴

15. Prime Minister Khalil appears to be an honest and relatively efficient administrator and is a strong opponent of Egyptian intrigues in the Sudan. His interest in the welfare of the new Sudanese nation appears to transcend his party and brotherhood ties. He is generally popular and enjoys the confidence of the civil and military services. He has displayed considerable political skill in holding together his disparate coalition.

The Role of the Communists

16. The Communist movement in the Sudan, while small and divided, is aggressive and

⁴Estimated strength of the political parties in the 97-man House of Representatives when Parliament lapsed on 30 June 1957 was:

Umma	28
Peoples Democratic Party	18
Southern Liberal Party	18
National Unionist Party	30
Other	3

active.⁵ Membership probably numbers only a few hundred, although there are several thousand fellow-travellers, mostly among the northern intelligentsia. The Communists, who are apparently well financed through the Bloc missions in Khartoum,⁶ have received active cooperation from Egyptian officials and organizations in the Sudan. Three out of about a dozen major newspapers are under Communist control. Communist labor leaders control unions with about 40 percent of the 35,000 membership of the Sudan's incipient trade union movement. They are influential in all unions and their superior organizational abilities have enabled them to frustrate the government's attempts to control the labor movement.

17. The Communists will probably continue to benefit from support from the Bloc and Egypt, and their strength will probably gradually increase as the labor movement grows. However, the present social structure is not conducive to Communist political success, and the Communists are unlikely for some time to be able on their own to exert significant influence on the government. They are too few to count for much in an election. They have recently formed an alliance with Azhari's well-established National Unionist Party. The latter, however, almost certainly considers this alliance with the Communists as only a temporary expedient in the fight against its political rivals.

⁵The Communist movement in the Sudan was originally organized from Egypt. The two known Communist parties (neither officially recognized) are the Sudan Communist Party and the National Assembly. A front group, the Anti-Imperialist Front, is active in politics and has one member in Parliament. The Communists also control the Sudan Workers Trade Union Federation which has a membership of about 10,600, most student unions, and a number of feminist groups.

⁶There are now six Bloc missions in Khartoum. The USSR, Poland, and Rumania have embassies. Hungary, Czechoslovakia, and Bulgaria have legations. Aside from the Soviet mission, which includes about 34 people and the Polish mission of nine, the Bloc missions are nominal in size. The exchange of diplomatic representatives with Albania has been agreed upon. About 30 East Germans are also in the country.

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The Role of the Military

18. Responsibility for maintaining internal security rests with the 12,000 man Sudanese Army. This force inherited from the British a nucleus of competent commissioned and noncommissioned officers and appears capable of carrying out its internal security tasks and resisting limited local aggression.⁷ At present, training is carried on almost entirely by indigenous personnel, although selected officers are sent to the UK and Egypt for advanced training. The government has asked for additional training spaces in UK schools so as to eliminate Egyptian training, which has been unsatisfactory. Under present plans, the army's need for outside support is relatively small, consisting mainly of modest amounts of small arms and ammunition, transport vehicles, light armored vehicles, and transport aircraft.

19. The army, following the British tradition, has thus far remained largely divorced from politics and is unlikely for the next few years to become a decisive influence in the government. Some 15 officers, noncommissioned officers, and cadets were arrested in June of 1957 on charges of planning a coup against the government. This group seems to have been motivated by a rather vague desire to promote national unity and efficiency. We know of no grouping similar to the Egyptian

⁷ The Army of the Republic of the Sudan was known as the Sudan Defense Force under the condominium. It is organized into 5 infantry brigades, 1 engineer battalion, and 1 artillery battalion. Each infantry brigade is assigned responsibility for security in roughly one-fifth of the country — the North, South, East, West, and Central Zones. In each, with the exception of the Central Zone, the brigade, rather than being massed in one location as a sizable striking force, is scattered throughout its area of responsibility in small detachments akin to armed police outposts. The Ministry of Defense has plans to reorganize the army on a divisional basis provided that adequate air and motor transport to assure mobility can be obtained. If reorganized and equipped as planned, the army would probably be capable of frustrating an attempt by an invading Egyptian task force of considerable size to capture Khartoum. It could probably not thwart an invasion by the bulk of the Egyptian Army.

Free Officer movement. The bulk of the army is considered loyal to Prime Minister Khalil, who was its highest-ranking Sudanese officer before independence. It is likely to remain so under normal circumstances. However, brotherhood and sectional interests are represented in the army, and should a major political crisis develop along these lines, the loyalty of officers and men would probably also be divided and its present capacity to maintain internal security and resist local aggression reduced.

Internal Political Prospects

20. The prospects for continued political stability in the Sudan over the next few years appear fairly good. Prime Minister Khalil has achieved considerable personal popularity, and economic conditions during his one year in office have been well above average. During the period between the expiration of Parliament on 30 June 1957 and the February 1958 elections, Khalil will have several months of unrestricted rule during which he will probably improve his position and the position of his party, the Umma, in the coalition. If he feels it necessary to do so, he can probably further delay the elections, although such action would probably increase discontent even among progovernment elements. The political and financial power of the brotherhoods is not likely to be significantly reduced in the next few years, and their mutual interest in countering Azhari will probably keep them united at least through the election. Khalil has a good chance of retaining office, perhaps with enough additional support to give him a freer hand in dealing with other members of the coalition.

21. There is a possibility that the NUP, with strong backing from Cairo, will be able to force a split in the PDP, and, in alliance with a pro-Egyptian faction of the PDP and with the Communists, win enough votes to return Azhari to the premiership. Even if this were to occur, however, the brotherhoods — especially the Ansar — would probably retain enough power to limit Azhari's freedom of action in office. Azhari would probably have only an uneasy majority which could be upset

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by a regrouping of forces such as took place in July 1956. Under these circumstances, Azhari, whose chief interest appears to be personal power, would be unlikely to attempt any radical change in present policy, although he would probably be less cautious than Khalil in his dealings with Egypt and the Bloc.

22. Present indications are that the permanent constitution to be adopted by the next Parliament will generally maintain the model of the transitional government. However, serious conflict, which could lead to a realignment of political forces in Parliament, is likely to arise on two issues. The first is a proposal sponsored by the leaders of the brotherhoods to make the Sudan an Islamic Republic. The southern representatives, whose constituents are mainly pagan and who themselves are largely Christian, are expected to oppose this vehemently. The southerners will also press vigorously for constitutional provisions establishing some degree of autonomy for the three southern provinces. On either or both of these issues the southerners might switch their allegiance from the present coalition, thereby upsetting the balance of power.

23. The long term prospects for political stability are less clear. The conflict between northern and southern sectional interests will almost certainly continue. In addition, the traditional rivalry between the Ansar and the Khatmia is still alive beneath the surface, and a major conflict between them would resurrect old divisions in the civil administration and the army, as well as in the political sphere. These would severely hamper conduct of the government, regardless of who was in power.

24. Even if cooperation between the two brotherhoods continues indefinitely, their influence will almost inevitably wane as the Sudan develops economically and culturally and their younger members abandon brotherhood ties and loyalties. Many, who have traditionally found a measure of security in bad times in their membership in the brotherhoods, will turn to such organizations as tenants associations, peasant cooperatives, and trade unions. Politically, the NUP, or per-

haps some new national party, is the most likely beneficiary of a loss of power by the brotherhoods. Consequently, the prospects for the PDP and the Umma depend to a considerable extent on their ability to emancipate themselves from narrow brotherhood interests and develop a more widely based political appeal.

25. The Sudan's other major political problem, rivalry between the North and South, will almost certainly persist over a prolonged period. The South will probably not achieve regional unity, nor develop any important independent source of income. However, as long as the political power in the North remains fractionized, southern regionalism will be encouraged by competition between the northerners for the political support of the South. If northern politics should become particularly unstable for a prolonged period, the South would probably contribute to disunity by promoting more actively its deeply-felt but impracticable desires for a high degree of autonomy.

ECONOMIC SITUATION AND PROSPECTS

26. The Sudan's economy is generally stable, although foreign trade is heavily dependent on a single crop. Cotton, principally long staple, accounts for about 65 percent of exports. About 90 percent of the population obtains its livelihood from agricultural and pastoral activities, and the bulk of the rural population lives at a subsistence level. Most of the country's cotton is grown in the east-central portion of the country, using Nile waters for irrigation. Roughly 50 percent of the total cotton output is produced on government-controlled projects, and the government markets about 75 percent of the total crop. The government also owns and operates many other leading enterprises, including the railways and public utilities. There are limited but adequate rail facilities connecting the main cotton growing area with Port Sudan on the Red Sea. Communications between the North and the South rely heavily upon river traffic hampered by seasonal fluctuations of the Nile. In the South, river communications are supplemented by fairly good paved

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roads. Rapid communication between the North and the South is possible only by air. Sudanese budgets have consistently shown surpluses which are used to finance a modest development program. Military expenditures account for about 15 percent of the total outlay.⁸

27. The Sudan is largely self-sufficient in basic foodstuffs. In general, a Western-type market economy prevails only in the east-central section where the most important cities are located and where the production and marketing of cotton are major economic activities. Throughout most of the Sudan the economic structure is extremely primitive, and exchange is often accomplished on a barter basis. The Sudan's foreign exchange position has been generally good and reserves were estimated at \$115 million in early 1957. Annual balances of payments vary greatly depending on the size of the cotton crop and the degree of success in marketing it. Through 1956, the Sudan used Egyptian currency. In early 1957, it began to issue its own currency,

in support of which it successfully negotiated with Britain and Egypt for the release to it of 20 million pounds sterling from blocked Egyptian accounts in the UK.

28. Any improvement in the standard of living or significant increase in the population would require substantial development of the country's potential resources. Large areas need only water to be arable and development plans provide for more than doubling the area now under irrigation during the next 15 years. The success of these plans is dependent on a solution to the problem of distribution of Nile River waters and the obtaining of substantial foreign assistance. The government has projected a 1957-1962 development plan, which includes the Managil Extension Project to increase the Gezira cotton area and the construction of the Roseires Dam on the upper Blue Nile.⁹ The carrying out of the plan would require an estimated \$225 million in foreign assistance. The government hopes to obtain this foreign assistance through private investment, borrowing from the International

a.

Sudan Budgets, FY 1954 to 1958
(in millions of US dollars)

	<u>Revenue</u>	<u>Expenditures</u>	<u>Surplus</u>
FY 1954	81.8	77.0	4.8
FY 1955	103.7	91.6	12.1
FY 1956	113.6	96.1	17.5
FY 1957 (est.)	121.4	101.9	19.5
Fy 1958 (proposed)	130.9	115.9	15.0

b.

Proposed Sudan Government Regular Budget 1957/58

<u>Revenues</u>	<u>Proposals</u>	<u>% of</u>		<u>Proposals</u>	<u>% of</u>
	<u>\$ million</u>	<u>total</u>	<u>Expenditures</u>	<u>\$ million</u>	<u>total</u>
Direct taxes	4.0	3.1	General adminis-		
Indirect taxes	57.3	43.7	tration	22.0	19.0
Sugar monopoly	8.2	6.3	Army	18.0	15.6
Participation in			Justice, police,		
agricultural under-			prisons	8.6	7.4
takings	29.0	22.2	Health, education,		
Fees and charges for			welfare	31.5	27.1
goods and services	14.5	11.0	Economic services	31.0	26.7
Other revenues	17.9	13.7	Other and unallo-		
Total	130.9	100.0	cable	4.9	4.2
				116.0	100.0
			Surplus for economic		
			development	14.9	
				130.9	

⁹ See Map.

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Bank for Reconstruction and Development, and aid from individual foreign governments. The government has presented to the Parliament for the current fiscal year a development budget of about \$55 million.

29. Negotiations with Egypt, which had apparently succeeded in narrowing the area of disagreement over the distribution of Nile waters, have been stalled since 1956. The Sudan insists it must complete basic water studies before negotiations can be reopened and that Uganda and Ethiopia, which lie upstream, must participate in any agreement which is reached. Meanwhile, Nasser has announced plans to construct the first phase of the Aswan High Dam project over a period of five years. No details are known of the Nasser project and therefore its impact on the negotiations cannot be estimated. However, the Sudan, as the up-river state, is in a commanding position, and will probably delay negotiations as long as it believes necessary to strengthen its case. Should it prove impossible to reach a satisfactory agreement with Egypt after negotiations are resumed, the Sudan will probably eventually utilize the increased amount of water necessary for its new projects without Egyptian consent.¹⁰

Economic Prospects

30. Continuation of a generally favorable economic situation, which has been an im-

¹⁰ Development of the Nile basin is now governed by the Nile Waters Agreement of 1929, which imposes no restrictions on Egypt's consumption of the flow through its own territory, but limits the Sudan's consumption to approximately four billion cubic meters a year. Egypt has already established a right to 48 billion of the average 84 billion cubic meter annual flow of the Nile, and is apparently entitled under the 1929 Agreement to construct hydraulic installations capable of consuming the surplus 32 billion cubic meters that flows into the Mediterranean each year during the flood season. Sudanese-Egyptian talks on revision of the 1929 Agreement have been started and broken off three times since 1955. The Sudan is reportedly holding out for a guarantee of 20 billion cubic meters a year and has been offered 13 billion (both figures after evaporation). Greatly increased Sudanese water usage would, of course, affect the potential of the proposed dam above Aswan in Egypt.

portant force for stability in the country to date, will depend heavily on the world cotton market. Raw cotton is the chief source of foreign exchange. The government obtains 50 to 60 percent of its total revenue from production and sale of cotton and is directly involved as a producer through its control of the Gezira Scheme, which comprises more than one million of the 2.5 million acres under cotton. Despite failure to sell this year's cotton crop as promptly as was hoped, the Sudan probably has a fairly good chance of marketing most of its cotton in the next few years — especially if Egyptian cotton continues to go to the Soviet Bloc in substantial amounts. The long run outlook, however, is more dubious. The Sudan has the inherent vulnerability of any one crop economy. A series of bad crop years would seriously damage the whole economy, and even if cotton production continues high, the world market for long staple is apt to become increasingly uncertain as the use of synthetic fibers increases and as other countries, particularly the US, increase their long staple production. The Sudan's efforts to diversify its economy have not as yet been encouraging, and for the foreseeable future, the country will have to continue to live under the shadow of the economic havoc which would be wrought by a prolonged slump in the world cotton market.

EXTERNAL AFFAIRS

Basic Foreign Policy

31. The Sudan's main foreign policy objective will probably continue to be the protection of its newly-acquired sovereignty against encroachment by either Egypt and other neighbors or by the great powers. It will almost certainly continue to following its stated policy of impartial cooperation with all nations and will seek to avoid becoming closely tied to any great power or deeply involved with any regional conflict or alignment. Sudanese foreign policy will continue to be powerfully influenced by neutralist-nationalist sentiments and to reflect suspicion of the great powers, especially those with a colonialist background. The Sudan's relatively favorable economic position has made it easier to reject any for-

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eign aid which it has feared might compromise its independent policy. Nevertheless, the Sudan's own rapid and easy attainment of independence enables it to deal with the Western powers in a comparatively moderate and friendly spirit.

Regional Relations

32. Relations with Egypt will continue to be the single most important problem of the Sudan's foreign affairs. Egypt has for many years coveted control over the Sudan. Sudanese fear and resentment of Egyptian expansionism dates back at least to 1820 when Egypt first began to extend its rule southward, and was forcefully expressed in the great rebellion of 1881 led by the Mahdi, father of the present head of the Ansar sect. While there was considerable pro-Egyptian sentiment in the Sudan after King Farouk was dethroned by the new nationalist Egyptian government in 1952, this fell off sharply after the removal of the half-Sudanese General Naguib from power in Egypt. The present government has shown itself well aware of Egyptian designs and where possible has moved to frustrate them—as in the arrest of local Communists who received propaganda material from the Egyptian embassy in Khartoum for use against the Richards Mission. Prime Minister Khalil has repeatedly warned the Egyptians that interference in the affairs of the Sudan will not be tolerated. In the spring of 1957, he entered into a broad friendship agreement with Ethiopia which is believed to include a mutual defense clause directed against Egypt.

33. While Egypt will continue to try to expand its influence in the Sudan, it will almost certainly not resort to force. It is unlikely in the near future to gain a position where it can dictate Sudanese policy. However, the economic and political pressures which Egypt can bring to bear against the Sudan will probably continue to make it necessary for the Sudan to give important consideration to Egyptian views in formulating its foreign policy and determining its role in Arab affairs. There is and will probably continue to be a sizable audience in the Sudan sympathetic to Nasser's

campaign against Western influence. Egypt has a sizable capability for propaganda, bribery, and subversion and has exploited the country's political disunity. So long as the National Unionist Party remains in opposition, it will probably continue to seek to embarrass the government and win additional Egyptian support by embracing Cairo's doctrines. The Sudan will also be loath to antagonize Egypt, which ranks third (after the UK and India) among its trading partners.

34. The Sudan joined the Arab League shortly after achieving independence, and will almost certainly continue to profess identity of interests with the Arab community. The Sudan has not, however, joined the Arab League Security Pact. In order to strengthen its position vis-a-vis Egypt and to promote its prestige internationally as a link between Africa and Asia, the Sudan will probably try to supplement its recent friendship agreement with Ethiopia by seeking alignments in eastern Africa. In general the Sudan will continue to be in an advantageous and significant position to play a role in regional affairs by virtue of its freedom from Pan-Arab and Pan-African zealotry and the absence of any irredentist claims against its neighbors.

Relations with the West

35. The Sudan's relations with the UK will probably remain cordial. The British withdrawal from the condominium was carried out without rancor and in such a manner as to leave the Sudanese with little suspicion of future British intentions. Although few British personnel remain in the Sudan, the political and military customs and institutions inherited from the British still exert a strong influence. In addition, the UK has for long been the Sudan's most important trading partner,¹¹ and should the Sudan run into temporary economic difficulties, it would probably look first to Britain for support. The UK has made it clear that it recognizes the importance of a friendly independent Sudan

¹¹ See footnote, next page.

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at the northern gateway to British East Africa. This interest will probably increase as the center of British strategic interest shifts east and south from the Mediterranean area.

36. Sudanese relations with the US will probably continue friendly, although there are not as yet any significant ties or community of interest. Annual trade with the US over the past five years has averaged only about two percent of the Sudan's total. Prime Minister Khalil has indicated that he is prepared to accept economic aid and possibly some arms from the US. However, his government has officially put the question of acceptance of the American Doctrine "in abeyance," and the Sudan will probably seek as much assistance as possible from private Arab capital, the International Bank, and UN agencies. An informal approach to the US for technical assistance and substantial grants or loans has already been made.

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Sudan: Principal Trading Partners 1952-1956

Imports: Percentage of Total Value

Country	1952	1953	1954	1955	1956
United Kingdom	34.1	42.6	32.5	30.6	28.3
Egypt	7.3	8.3	10.4	11.2	13.8
India	12.6	7.8	11.7	10.9	12.1
Italy	8.3	5.9	4.9	4.3	5.4
West Germany	3.3	5.3	4.7	4.1	3.9
France	1.6	2.6	2.6	4.3	2.9
All Others	32.8	27.5	33.2	34.6	33.6

Exports: Percentage of Total Value

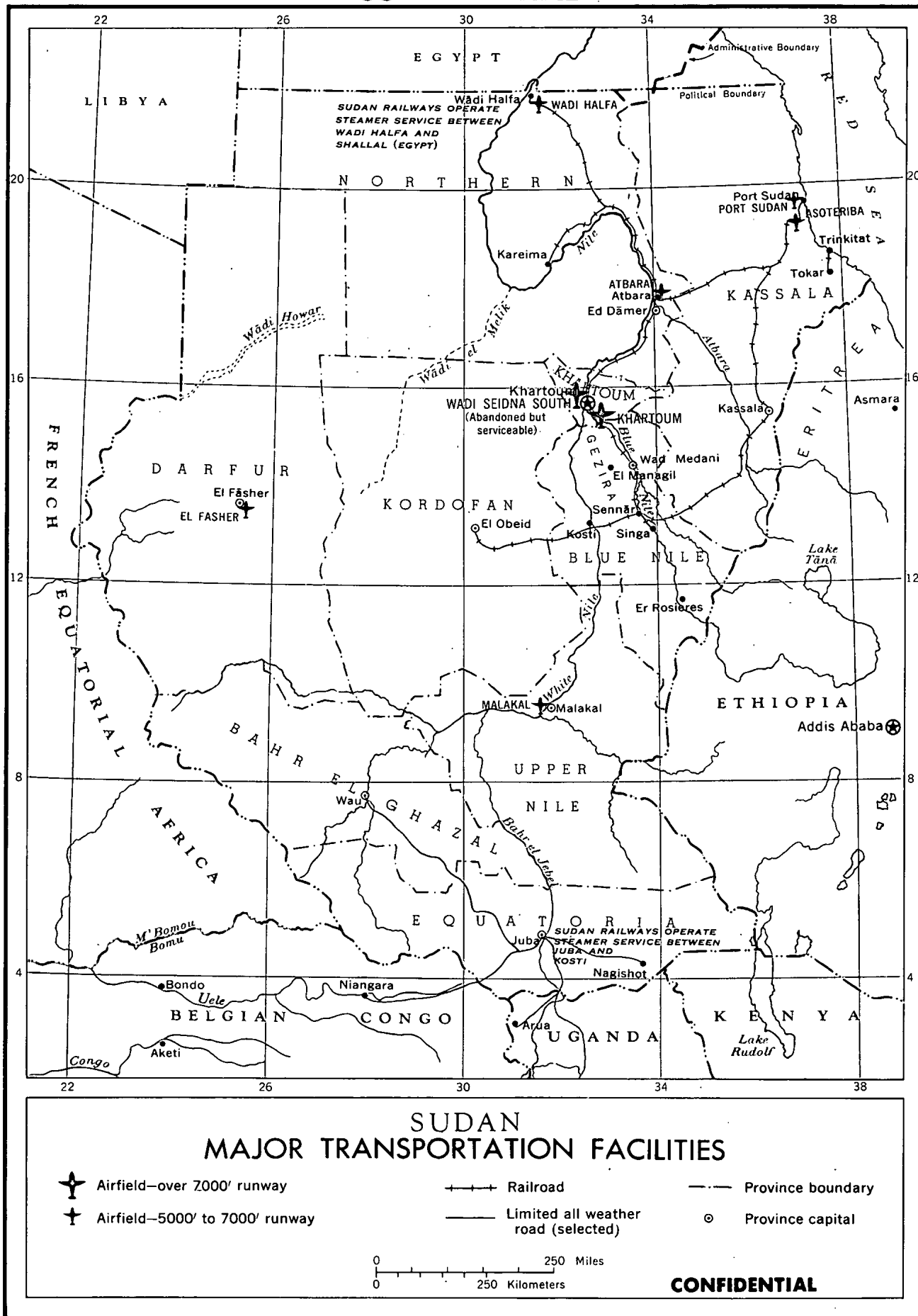
United Kingdom	55.5	40.9	42.2	28.1	33.0
India	7.3	12.7	4.2	14.2	13.2
Egypt	7.0	5.6	8.8	9.7	11.1
Italy	3.7	6.1	7.7	9.4	8.6
West Germany	4.6	10.5	6.4	8.2	7.2
France	7.8	6.7	5.5	9.1	4.8
All Others	14.1	17.5	23.2	21.3	22.1

Relations with the Soviet Bloc

37. The Soviet Union will probably be able to exercise some influence in the Sudan over the next few years through the numerous Bloc missions established in Khartoum and through collaboration with Egyptians and local Communists. The Sudan has already accepted the services of East German engineers on a contract basis. If it obtains substantial assistance from the US, it may seek to balance its position by accepting Bloc economic assistance. The USSR entered the Sudan cotton market for the first time in June 1957 with a purchase of about \$2.1 million, and as Sudanese cotton production expands, sales to the Bloc are likely to become increasingly important to the Sudan. The Sudan is also interested in building up its cotton market in Communist China, and Sudanese diplomatic recognition of the Peiping government — withheld by the government on the grounds that Communist China has not yet been admitted to the UN — is a possibility within the next two or three years.

38. For the time being, the Sudan will probably confine its relationship with the Soviet Bloc to the exploration of trade and small-scale aid possibilities. Should Azhari return to power, closer political relations might also result. However, the Sudan is unlikely to become involved with the Bloc to the point where the prospects of substantial US economic aid, continuance of the present profitable relationship with Britain, and the development of co-operation with anti-Communist states in the Middle East would be jeopardized. Growing Egyptian dependence on the Bloc and Egyptian collaboration with Communists in activities directed against the security and independence of the Sudan and other countries of the area would also be a deterrent to any major expansion of Sudanese-Soviet relations.

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